REPORT OF THE ROYAL COMMISSION ON PRE-ARRANGED FUNERAL SERVICES

R E P O R T

of

THE ROYAL COMMISSION

ON

PREARRANGED FUNERAL SERVICES

ORDER-IN-COUNCIL 267/63

Edmonton, Thursday, February 21st, 1963.

The Executive Council has had under consideration the report of the Honourable the Attorney General, dated February 19th, 1963, stating that:

WHEREAS section 2 of THE PUBLIC INQUIRIES ACT, being Chapter 258 of the Revised Statutes of Alberta, 1955, provides:

"258. (2) Where the Lieutenant Governor in Council deems it expedient and in the public interest to cause an inquiry to be made into and concerning a matter within the jurisdiction of the Legislative Assembly and

(a) connected with the good government of the Province or the conduct of the public business thereof, or

(b) that he declares by his commission to be a matter of public concern,

the Lieutenant Governor in Council may appoint one or more commissioners to make the inquiry and to report thereon.";

and

WHEREAS complaints have been received by the Government relating to the administration of

The Cemeteries Act, being chapter 12, Statutes of Alberta, 1960.

The Securities Act, being chapter 64, Statutes of Alberta, 1955.

The Prearranged Funeral Services Act, being chapter 76, Statutes of Alberta, 1960;

[illegible]

Edmonton, Thursday, February 22nd, 1973.

The Executive Council has had under consideration the report of the Honourable the Attorney General, dated February 16th, 1973, stating that:

[illegible] section 2 of the PUBLIC [illegible] Act, being Chapter [illegible] of the Revised Statutes of Alberta, 1970, provides:

"[illegible] (2) [illegible] Government [illegible] shall direct [illegible] the expedition and in the public interest [illegible] thereunder [illegible] to be carried [illegible] and the [illegible] of the [illegible] Government and

(a) commencing with the given government of the Province or the control of the public business thereof, or

(b) that be declared by the [illegible] to be a matter of public [illegible].

the Lieutenant Governor in Council may [illegible] one or more [illegible] to make the inquiry and to report thereon."; and

[illegible] authorized from time to time [illegible] by the Government relating to the administration of

The Amendments Act, being chapter [illegible], Statutes of Alberta, 1970;

The Amendments Act, being chapter [illegible], Statutes of Alberta, 1971;

The Government Funeral Services Act, being chapter [illegible], Statutes of Alberta, 1972;

and

WHEREAS complaints have been received by the Government relating to the activities of certain companies and individuals connected with them, whose operations have been in contravention of regulations under the above-mentioned Acts; and

WHEREAS this is a matter of public concern and it is deemed expedient and in the public interest to cause a public inquiry to be made into the aforementioned matters.

THEREFORE, upon the recommendation of the Honourable the Attorney General, the Executive Council advises that Mr. Justice C. C. McLaurin be and is hereby appointed a commissioner to inquire into the administration of

The Cemeteries Act, being chapter 12, Statutes of Alberta, 1960.

The Securities Act, being chapter 64, Statutes of Alberta, 1955.

The Prearranged Funeral Services Act, being chapter 76, Statutes of Alberta, 1960;

and the activities of certain companies and individuals connected with them, whose operations appear to have been in contravention of regulations under the above-mentioned Acts, and report thereon.

ERNEST MANNING

C H A I R M A N.

COMMISSIONER :

Chief Justice C.C. McLaurin

COMMISSION COUNSEL :

Michael Bancroft

COMMISSION SECRETARY :

DeLoy M. Sallenback

PUBLIC HEARINGS

CALGARY	:	TUESDAY, MARCH 12, 1963, and WEDNESDAY, MARCH 13, 1963.
RED DEER	:	TUESDAY, MARCH 19, 1963 through to FRIDAY, MARCH 22, 1963, inclusive.
		WEDNESDAY, MARCH 27, 1963 through to FRIDAY, MARCH 29, 1963, inclusive.
EDMONTON	:	TUESDAY, APRIL 9, 1963 and WEDNESDAY, APRIL 10, 1963.

INTRODUCTION

Throughout recorded history civilised peoples of the world have paid homage to their dead accompanied by a ritual burial. A dignified burial is regarded as the last religious and ceremonial tribute to the remains of the dead. For centuries cemeteries were mainly under ecclesiastical control but in more recent times municipal ownership and administration has evolved. In the territorial days of Western Canada, cemeteries were the subject of legislation and similar legislation was enacted on the formation of the Province. Until recently, all Alberta cemeteries were under the control of municipalities or religious denominations. In the past ten years, commercial cemeteries came upon the scene.

Following the inception of commercial cemeteries, the public was offered plans whereby it could pay for the services of a funeral director in advance. At an early date, it became manifest that these developments were fraught with the possibility of abuses; accordingly, further legislation was essential. The Cemeteries Act, chapter 12 Statutes of Alberta, 1960 was enacted and in the same year the Prearranged Funeral Services Act, chapter 76, was also enacted.

CEMETERIES

The present Cemeteries Act covers conventional aspects of cemetery operations and in a large part is legislation for the operation and control of commercial cemeteries. Some commercial cemeteries had already been established before its passage, but the legislature no doubt intended that it should apply to all commercial operations regardless of the date of their inception. Control was placed with the Alberta Securities Commission under the provisions of the Securities Act, chapter 64, Revised Statutes of Alberta 1955. The Act provides for endowment care requiring those selling any burial spaces to secure the approval of the Securities Commission of the form of contract used. The owner of the interment property is required to deduct and set aside 15% of the sale price of the space. He is also required to deduct something in the neighbourhood of 10% of monies received on a monument or grave marker. Under the regulations, these monies are required to be deposited with a recognised trust company. The regulations also require an initial deposit in trust of $15,000 at the commencement of any commercial venture. The interest earned on trust deposits is payable to the owner for maintenance of the cemetery.

All the more recent commercial cemeteries are of the lawn or garden type with memorial tablets flush to

the ground. Some municipal cemeteries have areas which are in the nature of the lawn type, which has some public appeal in contrast to cemeteries where vertical monuments predominate.

Lawn type cemeteries are organized by business men who aim at providing a service and making a profit. There are active commercial cemeteries in Medicine Hat, Lethbridge, Red Deer and Edmonton, and two in Calgary. It is to these operations that subsequent observations are directed. There are two private cemeteries in Edmonton that have been operating for many years. These have given rise to no concern and are therefore dismissed without further comment. Commercial cemeteries in Grande Prairie, Camrose, Stettler and Drumheller are abandoned or defunct. Another in Edmonton is virtually in the same situation. Glenwood Memorial Gardens Ltd. in Edmonton, acquired by the owners of Evergreen Memorial Gardens Ltd., is partly inactive. The Red Deer cemetery will be the subject of specific reference when dealing later with the deplorable developments there. Grievous losses were sustained by the public in the operations of these defunct cemeteries which acutely pointed out the imperative need of rigorous policing.

Every commercial cemetery has been attended with an aggressive selling campaign, with door-to-door salesmen. The difficulties and frustrations attending the policing

of these commercial operations resulted in an amendment in 1961 to the Cemeteries Act restricting new cemetery operation to religious denominations or municipalities. Accordingly, as the law now stands, no further commercial cemeteries can be established.

Throughout Alberta there are many fine municipal cemeteries; there are creditable operations, to mention by way of illustration only a few, at the following points - Nanton, Wetaskiwin, Red Deer and Lacombe, and information furnished the Commission indicates that in any area of the Province are to be found well-maintained and dignified municipal places of burial. Lethbridge and Medicine Hat operate commendable municipal cemeteries. The newer cemeteries in the fast growing cities of Edmonton and Calgary present some problems and will require substantial financial outlay to attain a desirable standard. There can surely be little doubt that these two cities will do what is required.

Some of the commercial cemeteries inspected by the Commission are creditable and well-maintained establishments, presenting an agreeable and pleasing aspect. Individual tastes vary and, as has been said, a portion of the public prefer park-like places of burial with an absence of vertical monuments. Nevertheless, this Commission endorses legislation enacted in 1961 restricting cemetery operation to municipalities and religious organizations.

The financial soundness of these operations naturally gave rise to concern. At this stage, with defunct operations out of the way, the Commission has only to scrutinize six commercial cemeteries:-

Chapel Lawn Memorial Gardens Ltd., Medicine Hat.
Archmount Memorial Gardens Limited, Lethbridge.
Mountain View Memorial Gardens Limited, Calgary.
Evergreen Memorial Gardens Limited, Edmonton.
Calgary Garden of Memories Ltd., Calgary.
Alto-Reste Memorial Gardens Ltd., Red Deer.

Mountain View Memorial Gardens Limited in Calgary and Evergreen Memorial Gardens Ltd. in Edmonton, both controlled by a Toronto operator, indicate every promise of handsome profits for the promoters. It is calculated that about 1,000 spaces are secured from an acre of land and with these selling at $75 or more per space, an ultimate gross profit of $75,000 per acre is estimated. In addition, further profit is realizable from bronze markers, the sales of which are effectually controlled. The promoter of these two cemeteries estimated that 80% of the spaces carry markers. Albeit operators may realize fabulous profits, no exception can be taken to their enterprising spirit if the public is protected, and insured that these places of interment are so set up that they can be financially maintained over foreseeable years and even centuries. One operator estimated that when a typical cemetery was fully occupied (in his case, with 12,000 spaces) the perpetual care fund in trust would total $750,000, available to defray maintenance. This sum,

representing roughly only 15% of the space take, provides some indication of the ultimate return that might be anticipated even after allowing for onerous operating expenses. The prospective profits, large as they may prove, are not directly of concern in this inquiry provided the enterprises are conducted legitimately and with dignity.

It appeared from the evidence that the endowment care funds of the following cemeteries are adequate :-

Evergreen Memorial Gardens Limited, Edmonton.
Archmount Memorial Gardens Ltd., Lethbridge.
Mountain View Memorial Gardens Ltd., Calgary.

The Calgary Garden of Memories Ltd. is at the present time short of its initial $15,000 deposit. Alto-Reste Memorial Gardens Ltd. is insolvent. Chapel Lawn Memorial Gardens Ltd., Medicine Hat, ignored a request from the Commission for financial data. Consequently, their operations are suspect and in any event Medicine Hat has the benefit of an excellent municipal cemetery.

From information furnished, it is the opinion of the Commission that the selling and collecting methods of these firms under review are indefensible. Selling is conducted in a high pressure fashion; many contracts are concluded on an instalment basis with a ridiculously small down-payment, and an aggressive collection policy is pursued with the threat of legal proceedings if commitments are not met.

Mr. Thomas A. Patterson, representing Calgary Garden of Memories Ltd., gave evidence before the Commission. In his brief he embarked on strictures of the Chairman of the Securities Commission. It suffices to say that Mr. Patterson's company was given considerate treatment by its Chairman and that his criticisms were wholly unfounded. He presented a movie film carried in a small box and adapted for operation at domestic premises. This offensive film was calculated to play strongly on the emotions of its viewers. Then, at the very moment of compiling this report, there has come to our attention an advertisement from the same firm displaying attractive pictures of well-developed cemeteries elsewhere, than in Alberta. His venture is under-developed and amounts to grass on the open prairie with a few recently planted saplings. This particular folder is nothing short of deceitful and illustrates the levels to which this concern will stoop for business.

It seems incredible that patronage of these cemeteries for services in advance of need would be provided by any except persons at least past middle age. There is no shortage of burial space; it is readily available from any quarter in case of need and buying space on the instalment plan while still quite young, is utter folly. One might as well buy groceries on the instalment plan for delivery ten years hence. In view of the distasteful selling methods of the operators of the commercial cemeteries under review,

the Commission is of the opinion that the only solution is legislation absolutely prohibiting door-to-door solicitation. Until such legislation is forthcoming, the public would be well advised to dismiss summarily any door-to-door salesmen who attempt to invade their privacy.

PREARRANGED FUNERAL SERVICES

We now come to the sale of funeral services in advance of need. To their credit, some people of advanced years display a desire to make financial arrangements in respect of funerals.

During our hearings, evidence was tendered to the Commission that frequently people of slender means evinced a wish to provide for themselves. This should be recognized as commendable prudence. Obviously these plans demanded regulation. Accordingly, the Act of 1960 provided that 88% of the funds payable for such a service be deposited with a recognized trust company. The remaining 12% represented the immediate profit to the vendors of any plan. These funds, upon being paid to a trust company, earn interest and the accruals therefrom are the property of the vendor. This would appear to be an objectionable, unearned increment to the vendor. In any instances brought to our attention, the sales methods of those offering plans to the public were reprehensible. The manager of one funeral business contrived

to secure a tape recording from an aggressive salesman, a portion of which read as follows:-

> "Mr. Quinn (Allied Memorial Services): Certainly we influence the family. We explain our presentation. When we first walk in they think we are nuts when we are talking about funeral services, but when we walk out we walk out with $990. You know --- you figure this out, they have never seen me before and they will never see me again and I've been in their house 40 minutes and walk out with $1,000 and they have a piece of paper."
>
> ---
>
> "Mr. Quinn: Oh, oh, we've sold millions and millions of dollars worth of lots on the presentation, that's the key to it; by the same token you have to have organization."
>
> ---
>
> "Mr. Quinn: We've sold four million dollars worth of lots in Vancouver alone. Lots!"
>
> ---

The legislature is to be commended upon an amendment to the Act in 1961 requiring 100% of all monies being placed in trust. With the withdrawal of the prospect of a handsome commission, selling of such plans ceased.

One reputable funeral director reporting before the Commission stated that under his arrangements all accrued interest on trust monies, less trustee's charges, were credited to the purchaser. Most of the abuses are now removed by existing legislation, but it is desirable that the sale of prearranged funeral services should be restricted

solely to licensed funeral directors; that all accruing interest be payable to the purchaser of a plan, and that any funds held in trust be repayable on demand at any time before application on an actual funeral.

Before departure from this aspect of our inquiry, it should be observed that careful people can anticipate the future by other methods. Relatively small sums deposited with a trust company and informal arrangements with a funeral director achieve the same result as the purchase of a plan in advance of need. Such course has the advantage that these funds are available for the emergencies of life or in the event of removal from the Province.

EVENTIDE FUNERAL CHAPELS LTD. & RELATED COMPANIES

Up to the end of 1959, the only funeral director in Red Deer was Brown & Johnson Ltd., the shares of which were owned in equal proportion by one sister and two brothers - Mabel Brown, Arthur Johnson and Harold Johnson. This company had in its employ as embalmers, D.R. Callahan, and L.H. Williams. Early in 1960, these men severed their connections with Brown & Johnson Ltd. and established their own funeral business called Parkland Chapel Ltd., which was financially supported by loans from the Johnsons.

Parkland Chapel Ltd., early in 1960, brought into

its organization a salesman, Lawrence Albrecht, who engaged in an aggressive and successful selling campaign resulting in $330,000 worth of prearranged funeral services contracts over a period of little more than a year.

On 9th February, 1961, Callahan and Williams caused to be incorporated Eventide Funeral Chapels Ltd. Options were obtained for the purchase by that company of Brown & Johnson Ltd. for the sum of $275,000; of Parkland Chapel Ltd. and Parkland Caskets Ltd. for $125,000; and of Duffield's Funeral Homes Ltd. at Sylvan Lake for the sum of $100,000. A debenture issue in the total sum of $600,000 carrying 6% interest, was planned to finance these purchases; a prospectus and other material was duly submitted to the Securities Commission and the sale of the debentures was authorised with a minimum subscription of $412,000.

Albrecht thereupon undertook to sell debentures for cash and also invited owners of funeral contracts with Parkland Chapel Ltd. to authorise the release of funds paid into trust earlier on those contracts in exchange for debentures, assuring contract-holders that in case of need the debentures would be readily convertible into cash to meet the original funeral commitments. After a number of extensions of the date for meeting the minimum subscription, and when some $200,000 still remained to be subscribed, the parties (the Johnson group and the Parkland group) contrived in August 1961 to achieve this. Mabel Brown and the two Johnsons

subscribed for debentures in the amount of $180,000 and Callahan and Williams for some $41,000 worth, the minimum subscription thereby being met. Eventide was then in a position to commence active operations. The Brown and Johnson subscription was promptly neutralized, so far as the cash position of Eventide was concerned, by the payment by Eventide of the full purchase price of $274,000 to Mrs. Brown and the two Johnsons for their company. The result of this transaction was that the Johnson group had $180,000 worth of debentures on their hands, and Albrecht was promptly engaged to sell these securities to the public. The final results of his efforts were as follows :-
Mabel Brown realized her entire $60,000 with the exception of $300 worth of debentures; Arthur Johnson realized his $60,000 with the exception of $3,500 worth of debentures, but Harold Johnson was less fortunate in that he is still the owner of $26,500 worth of debentures. Out of the monies raised by debenture funds, the Duffield purchase was settled in full for $100,000 cash, the purchase of Parkland was completed by the payment to Callahan and Williams of $100,000.

It is necessary to refer to the $41,000 item heretofore mentioned because $27,000 of that amount was raised under these circumstances; on August 23, 1961, the Bank of Nova Scotia, Red Deer, loaned to Eventide Funeral Chapels Ltd. the sum of $27,000. This amount was credited to the company's bank account and on the books of the company it was made to

appear as a subscription for debentures from Callahan and Williams. Six days later, on August 29, 1961, the bank loan was retired by a charge to the Eventide account by the bank. Thus, in effect, the Company borrowed funds from the bank for the purpose of bolstering the necessary cash position required to meet the minimum subscription. This was an illegitimate trafficking by Eventide in the securities that it was offering to the public. This transaction was a palpable fraud on the other debenture purchasers conceivably attended by criminal culpability.

Great Western Mortgage Corporation Ltd.

In February 1961, Williams, Callahan and Albrecht caused to be incorporated a company, Great Western Mortgage Corporation Ltd., in which they were the only shareholders. Albrecht resumed salesmanship by seeking loans to the company from members of the public. He approached people holding funeral contracts and debentures, persuading them to lend money to the mortgage company in return for a promise to pay 6% interest. The receipt or security issued read as follows :-

" Great Western Mortgage Corporation Ltd.
4930 - 54th Street,
RED DEER, Alberta.....196...

RECEIVED FROM.....
of.....
the sum of.....$.....
to yield 6% interest, payable annually commencing
.....19...
GREAT WESTERN MORTGAGE CORPORATION LTD.
OFFICIAL RECEIPT Per.....
Thank you. "

In short, these people surrendered debentures and funeral contracts for the foregoing meagre receipt. Albrecht also obtained loans from the public in return for the aforementioned identical receipt. In other instances, he persuaded people to loan money to the company by instalments, and in such cases, the initial instalments were immediately applied to pay his commission on the basis of a paid out contract.

The following tabulation sets out clearly cash obtained by Great Western Mortgage Corporation Ltd. and its dispersal:-

Statement of Source and Application of Funds
In nine months ended February 28th, 1963.

SOURCE OF FUNDS:		
Cash borrowed from public		$71,246.75
Cash borrowed from shareholders		16,981.32
Sale of 3 shares		3.00
Borrowed from Eventide Funeral Chapels Ltd.		369.23
		$88,600.30
APPLICATION OF FUNDS:		
Payments on Calgary property (total $85,301.80) inc. mortgage principal reduction		$47,960.20
Payment on Red Deer property		5,000.00
Loaned to Parkland Chapel (Red Deer) Ltd.		8,664.00
Loaned to Alto-Reste Memorial Gardens Ltd.		6,834.14
Purchase of various assets:-		
Office equipment	$591.35	
Prepaid expenses	515.89	
Utility depostis	35.00	1,142.24
Cash loss suffered during period in payment of Commissions, Interest, etc.		17,071.03
Cash on hand, February 28, 1963.		1,928.69
		$88,600.30

Future instalment payments can be dismissed. With these disclosures, it would be the height of folly for the public to make any further payments thereunder. The only other asset of the company yet to be accounted for is the Eventide debentures, of doubtful falue, totalling $31,300.

Alto-Reste Memorial Gardens Ltd.

Callahan, Williams and Albrecht purchased this cemetery and the prior Great Western Mortgage Corporation Ltd. tabulation reveals a loan to Alto-Reste Memorial Gardens Ltd. This is the appropriate point at which to deal with this company.

The Alto-Reste cemetery on the eastern outskirts of Red Deer, is in appearance a new and comparatively raw venture, not comparable to the fine Red Deer municipal burial place, providing services at virtually half the cost.

The records of Alto-Reste Memorial Gardens Ltd. show that it has gone steadily downhill for the past five years and its recorded losses are as follows :-

1958	$11,538
1959	$19,295
1960	$3,077
1961	$19,016
1962	$11,111

In addition, it has sold for cash a large number of markers for which it has made no financial provision, and the money so obtained has been spent with the result that

there is no provision for the purchase of these markers when the need arises.

This company is insolvent and it is incredible that any businessmen could have been so imprudent as to purchase this company at all let alone at the sum of namely $55,000.

Financial Status of Eventide.

The debenture commitments accruing due on May 1st, 1962, were met; the interest in the neighbourhood of $36,000, was paid in cash and the sinking fund commitment by lodging of debentures borrowed from Mrs. Brown, one of the Johnson group. This debenture transaction improved the security of the debentureholders, but left an equivalent unsecured liability by Eventide outstanding. We now come to 1963. A thorough scrutiny of Eventide's finances reveals that Eventide and its related companied do not possess the liquid assets for the retirement of the forthcoming interest commitment; nor are they the owners of debentures to meet the sinking fund obligation. It is ludicrous to suppose that the promoters of this concern can further delude the public to secure resources for the due retirement of these obligations, which shortly mature. As all subsidiaries are inactive and operative under the Eventide name, it will suffice to merely give the loss record of Eventide :-

Net loss for 11 months ended July 31st, 1962	$41,324.83
Net loss for 7 months ended February 28, 1963	$30,145.29

The foregoing figures were furnished by Ross P. Alger C.A. retained by the Commission. His report also reveals that the value of fixed assets, real estate and equipment paid for substantially from debenture funds, totalled in the neighbourhood of $300,000. This means that Eventide was paying an equal sum for goodwill, which illustrates the hopeless improvidence of their transactions.

It will be observed from the figures mentioned that the company is losing money at the rate of almost $4,000 per month and has done so since the commencement of operations on August 28, 1961. This company is obviously in a state of hopeless insolvency. With the inflated purchase prices resulting from undue value on goodwill and Albrecht's commissions, debentures at their inception were probably worth no more than half the offering price. There will be no assets to which unsecured creditors can have recourse. It is highly in the interests of debenture-holders that receivership proceedings be instituted under the debenture trust deed immediately upon a May 1st default. Thereafter, these debentureholders, in the opinion of the Commission, will make the maximum recovery from assets of Eventide by the sale of the business to some honest and competent funeral director.

GENERAL AND CONCLUDING COMMENTS

During the hearings, Williams voiced a number of complaints against Mr. G. H. Rose, Chairman of the Alberta Securities Commission, and other Government officials, which amounted to this: Parkland was never consulted by the Government about pending legislation; that persons purchasing funeral plans were interrogated; that Albrecht was not given a license to sell securities; that Mr. Rose sat on an Appeal from his own decision; and that there was undue delay in releasing debenture money. Mr. Rose, himself, gave evidence and the Commission is satisfied that these complaints are unfounded.

The irresponsibility of these men in conducting their affairs in the way that they did cannot be too strongly condemned and in their anxiety to bolster up the tottering finances of their various companies, it is quite apparent that they went far beyond what the law permits. They have chosen to charge the Securities Commission, its Chairman and other officials and the Government of Alberta at large (from the Premier downwards) with discrimination, unfairness and prohibitive practices against them and they have for some years past outspokenly criticised those in authority for putting difficulties in the way of their plans; and all this without any justification.

The part played by Albrecht in this story can only be described as shameful. Apart from the fact that he was breaking the law by selling securities without a license, his sales technique stooped to the lowest levels and he profited by commissions in excess of $40,000. In the operation of the various companies under inquiry, Callahan, Williams and Albrecht were dishonest, and the three in combination sorely victimized many decent folk in the Red Deer district. Albrecht should be promptly prosecuted for his defiance of the provisions of the Securities Act with relation to the transactions on behalf of Great Western Mortgage Corporation Ltd.

SECURITIES ACT

This inquiry has made it abundantly clear that policing the sale of securities is a task demanding continual vigilance. The review of operations in Red Deer reveals that one offender sold upwards of three quarters of a million dollars worth of securities without a license so to do, and at least one cemetery operator was very eager for temporary licenses to be issued to salesment which would mean that individuals would be at least partially recognized by the Securities Commission and yet ultimately prove to be not fit and proper persons to be licensed.

It is a universally accepted principle that the public

are entitled to the protection of Governmental bodies, bearing varying names, set up to scrutinize all securities offered for sale to the public. The Securities Commission should not in the future be left in the hopeless position that it found itself in connection with the Red Deer operations and it would appear that there should be an amendment to the Act granting the Commission the power to apply in a summary manner to a superior court judge for a restraining order when a prima facie defiance of the Securities Act and its regulations is apparent. In addition to such a provision, which would of course cover the broad field of securities offered in respect of any industry, it is desirable to add that with respect to cemeteries and prearranged funeral schemes, the Securities Commission should, under further legislation, be granted the widest powers to set up its own regulations and as necessity requires, vary them from time to time so that it will at every moment be equipped to discipline any reprehensible practices.

The Commission wishes to express its appreciation of the services of Michael Bancroft as Counsel; Ross P. Alger, Chartered Accountant, for his searching inquiry into the records of Eventide Funeral Chapels Ltd. and related companies, and D.M. Sallenback as Secretary.

This report now concludes with the following findings and recommendations:-

1) That present legislation restricting operation of cemeteries to religious auxiliaries and municipalities should be maintained.

2) That all door-to-door solicitation for the sale of burial spaces should be prohibited.

3) That the sale of prearranged funeral services be restricted to licensed funeral directors with all monies paid thereunder to be deposited with a trust company, the interest accruing thereon less trustee's fees being the property of the purchaser, with such funds being withdrawable by the purchaser on demand at any time prior to application for a funeral.

4) That the Securities Commission should be granted the widest powers of framing regulations for the operation and management of all cemeteries and prearranged funeral services.

5) That the Securities Act be amended to provide that the Securities Commission may obtain from a judge of a superior court on summary application, restraining orders against activities of any person or corporation violating any of the provisions of the statute and its regulations.

Chief Justice C. C. McLaurin
COMMISSIONER

April 16, 1963.

GOVERNMENT OF ALBERTA
PROVINCIAL LIBRARY
Edmonton

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2. A fine of two cents a day will be charged on each book which is not returned according to the above rule. No book will be issued to any person incurring such a fine until it has been paid.
3. All injuries to books beyond reasonable wear and all losses should be made good to the satisfaction of the Librarian.
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